

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
2011 Legislative Year**

Status as of February 28, 2011

B - Other Bills

Bill Number Version	Author	Summary	Board Position	Status
AB 7 I-12/06/2010	Portantino	State Employees: Executive Salary Freeze Prohibits State employees whose base salaries are greater than \$150,000 per year from receiving a salary increase while employed in the same position or classification. The bill would exempt persons whose compensation is governed by an operative memorandum of understanding, who have been exempted by executive order of the Governor or whose salaries are set pursuant to the California Constitution. This prohibition would remain in effect until January 1, 2014.		01/24/2011- Referred to Assembly PER&SS Committee
AB 17 I-12/06/2010	Davis	Emerging Investment Managers and Brokerage Firms Requires the CalPERS Board of Administration to annually report to the Legislature on the ethnicity and gender of its external investment managers and external firms that provide brokerage services. It would also require the Board to develop and include in the report plans and strategies to increase the participation of emerging investment managers and emerging brokerage firms, as defined.		01/24/2011- Referred to Assembly PER&SS Committee
AB 36 A-02/18/2011	Perea	State Tax Conformity for Dependent Care Coverage up to Age 26 This bill conforms to federal tax law by excluding from an employee's gross income for State personal income tax purposes, the value of employer-provided health coverage for a child who, at the end of the taxable year, has not attained age 27. It also allows parents to exclude from their gross income, any reimbursements for medical expenses made under a flexible spending arrangement. If enacted, this tax measure would take effect immediately.		02/28/2011- Assembly Second Reading

Bill Number Version	Author	Summary	Board Position	Status
AB 89 I-01/06/2011	Hill	Retirement Calculation Compensation Limit Would require all public retirement systems in California to adhere to the federal compensation limit under Internal Revenue Code (IRC) Section 401(a)(17) when calculating retirement benefits for members who first join the retirement system on or after January 1, 2012.		01/27/2011- Referred to Assembly PER&SS Committee
AB 92 I-01/10/2011	Blumenfield	2011-12 Budget Act Makes appropriations for support of State government for the 2011-12 fiscal year. As a budget bill, it would take effect immediately.		01/27/2011- Referred to Assembly Budget Committee
AB 154 I-01/18/2011	Beall	Health Care Coverage: Mental Health Services Would expand coverage for certain health plans and health insurance policies which are issued, amended, or renewed on or after January 1, 2012, to include the diagnosis and treatment of mental illness as defined in the "Diagnostic and Statistical Manual of Mental Disorders IV" (including substance abuse but excluding nicotine dependence and other specified diagnoses). This requirement would not apply to CalPERS health plans, contracts, or health insurance policies unless the Board elects to purchase a plan/contract/policy providing mental health coverage.		02/03/2011- Referred to Assembly Health Committee
AB 344 I-02/10/2011	Furutani	Prohibit Extensions to the 960 Hour Limit for Temporary and Emergency Employment Would eliminate the ability of the governing body of a contracting agency or school employer to request the Board of Administration to allow a retired annuitant to serve on a temporary or emergency basis without reinstatement for a period of employment beyond the 960 hour per year limit.		02/24/2011- Referred to Assembly PER&SS Committee
AB 617 I-02/16/2011	Davis	Retired School Member Death Benefits Would increase the retired school member lump sum death benefit from \$2,000 to \$6,163.		02/17/2011- From printer. May be heard in committee on or after March 19.

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AB 738 I-02/17/2011	Hagman	Pension Ban for Elected Officials Would prohibit a person who is elected to public office, on or after January 1, 2012, from becoming a member of a retirement system by virtue of that service or acquiring any retirement right or benefit for serving in that elective office. This prohibition would not apply to an elected official who obtained membership by virtue of holding office prior to January 2012, and remains in, or is reelected to that office.		02/18/2011- From printer. May be heard in committee on or after March 20.
AB 769 I-02/17/2011	Hueso	Pension Ban for Appointed State Board and Commission Members Among other things, would prohibit a person who is appointed to any State board or commission, on or after January 1, 2012, from becoming a member of CalPERS or CalSTRS, earning service credit by virtue of that service, or acquiring any other retirement right or benefit for serving on that State board or commission. This prohibition would not apply to a State board or commission member that obtained membership in CalPERS or CalSTRS by virtue of their service prior to January 2012, and remains in, or is reappointed to that position.		02/18/2011- From printer. May be heard in committee on or after March 20.
AB 873 I-02/17/2011	Furutani	Post-Separation Employment for State Retirement System Board and Staff Prohibits CalPERS and CalSTRS board members, administrators, executive officers, investment officers and general counsels from accepting a paid position, for the two years following their separation from the retirement system, from any employer with whom the former official was involved, both personally and substantially, in specified decisions related to retirement system contracts and investments valued at greater than \$10 million during the previous five years. It would not apply this prohibition to a former retirement system official that obtains employment from an entity whose principal market is unrelated to the individual's prior service. The bill would also prohibit these officials from accepting employment for a period of two years following their separation from the system, with any placement agent that has successfully placed an investment with either retirement system during the previous ten years.		02/18/2011- From printer. May be heard in committee on or after March 20.

Bill Number Version	Author	Summary	Board Position	Status
AB 933 I-02/18/2011	Allen	State Safety Member Classification Would include all State prison and State hospital employees within the State safety member classification.		02/20/2011- From printer. May be heard in committee on or after March 22.
AB 1151 I-02/18/2011	Feuer	Fiduciary Determinations for Iran Divestment Existing law allows the CalPERS Board of Administration to suspend action as described in the California Public Divest from Iran Act (Act) if it determines such action would be inconsistent with its fiduciary duties as described in the California Constitution. This bill replaces that authorization with the requirement that the Board determine in a properly noticed public meeting that a specific action described in the Act would be a breach of its fiduciary responsibilities in order suspend action.		02/20/2011- From printer. May be heard in committee on or after March 22.
AB 1184 I-02/18/2011	Gatto	Contracting Agency Liability for Excessive Compensation and Closure of the Replacement Benefits Plan for New Employees Would require the contracting agency from which a non-represented CalPERS member retires, or otherwise has his or her final compensation calculated, to pay that portion of the liability for creditable service performed for a prior contracting agency that exceeds 115 percent of the last salary paid by that agency, as adjusted for actuarially assumed salary increases. It would also close the CalPERS Replacement Benefit Plan and prohibit contracting agencies from establishing their own plans for CalPERS members hired on or after January 1, 2013.		02/20/2011- From printer. May be heard in committee on or after March 22.

Bill Number Version	Author	Summary	Board Position	Status
AB 1320 I-02/18/2011	Allen	Retirement System Employer Risk Prevention Accounts Among other things, it would establish a Taxpayer Adverse Risk Prevention Account for each CalPERS employer, whose assets would be invested with other CalPERS assets, and be available to pay employer retirement contributions that exceed the normal cost of benefits, or, for other specified transfers. Employer contributions to such accounts would be required when the employer contribution rate is less than the normal cost of benefits, and would cease when account assets exceeds 50 percent of the employer's other assets for retirement benefits. This bill also establishes similar accounts for public employers that participate in 1937 Act County Retirement Systems.		02/22/2011- From printer. May be heard in committee on or after March 22.
ABX1 1 I-12/06/2010	Portantino	State Employees: Executive Salary Freeze Would prohibit State employees whose base salaries are greater than \$150,000 per year from receiving a salary increase while employed in the same position or classification. The bill would exempt persons whose compensation is governed by an operative memorandum of understanding, who have been exempted by executive order of the Governor or whose salaries are set pursuant to the California Constitution. This prohibition would remain in effect until January 1, 2014.		12/07/2010- From printer.
SB 27 I-12/06/2010	Simitian	Pension Spiking and Return to Work Limits Would provide, effective July 1, 2012, that any change in salary, compensation, or remuneration principally for the purpose of enhancing the benefits of a public retirement system member would not be included in the calculation of the member's final compensation for purposes of determining their defined benefit. It would also prohibit any member of a public retirement system that retires on or after January 1, 2013 from performing services for any employer covered by their retirement system until the member has been separated from service for at least 180 days. It also makes the necessary conforming changes in the Public Employees' Retirement Law.		01/20/2011- Referred to Senate PE&R Committee

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SB 68 I-01/10/2011	Leno	2011-12 Budget Act Makes appropriations for support of State government for the 2011-12 fiscal year. As a budget bill, it would take effect immediately.		01/20/2011- Referred to Senate Budget and Fiscal Review Committee
SB 115 I-01/19/2011	Strickland	Public Employee Retirement Benefit Forfeiture Would require a public officer or employee who is convicted on or after January 1, 2012 of any felony for conduct arising directly out of his or her official duties to forfeit all rights and benefits under, and membership in, any public retirement system in which he or she is a member, effective on the date of final conviction. Forfeiture would be limited to only that portion of a public employees' rights and benefits that accrued on or after January 1, 2012.		02/10/2011- Referred to Senate PE&R Committee
SB 136 I-01/31/2011	Yee	Health Care Coverage: Tobacco Cessation Would require certain health plans and health policies issued, amended, renewed, or delivered on or after January 1, 2012, to provide coverage for tobacco cessation treatment. The bill would make the coverage requirement inoperative upon a determination that it will result in the State assuming additional costs, as specified.		02/10/2011- Referred to Senate Health Committee
SB 252 I-02/10/2011	Vargas	Government Oversight and Fiscal Accountability Review Act Among other things, requires any State agency that enters into an agreement or combination or series of agreements for a private contractor to provide services with a value of \$100,000 or more, that are substantially similar to services provided by civil service employees of the agency to report to the Secretary of State regarding those contracts, who would then compile, publish, and make these reports available to the public. The bill also specifies that any subcontract executed under a privatization contract is a public record subject to reporting and inspection pursuant to the Public Records Act. In addition, State agencies would be required to provide specified information relating to their use of private contractors as part of their annual budget requests, and makes these contracts subject to review by the Bureau of State Audits.		02/24/2011- Referred to Senate Governmental Organization Committee and Senate Judiciary Committee

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SB 294 I-02/14/2011	Price	Emerging Investment Managers Expresses Legislative intent to increase emerging investment managers' participation in managing CalPERS and CalSTRS assets.		02/24/2011- Referred to Senate Rules Committee
SB 321 I-02/14/2011	Negrete McLeod	Pre-retirement 1959 Survivor Allowance Makes a technical, nonsubstantive change to a section of the Public Employees' Retirement Law that prohibits a member from receiving more than one preretirement 1959 survivor allowance.		02/24/2011- Referred to Senate Rules Committee
SB 322 I-02/14/2011	Negrete McLeod	Benefit Limits for Members Employed by Multiple CalPERS Employers Would clarify that a member who receives benefits based on credited service with multiple employers cannot exceed the annual federal limit on retirement benefit payments pursuant to Section 415 of the Internal Revenue Code.		02/24/2011- Referred to Senate PE&R Committee
SB 398 I-02/16/2011	Hernandez	Investments: External Managers Would make technical changes to the definitions of "external manager" in the Political Reform Act and other parts of the Government Code with regard to investment managers retained by public retirement systems.		02/24/2011- Referred to Senate Rules Committee
SB 439 I-02/16/2011	Negrete McLeod	CalPERS and CalSTRS Gift Limits Would prohibit all CalPERS and CalSTRS governing board members and employees from accepting gifts valued in excess of \$50 from any single source in a calendar year. In addition, the bill would establish sanctions for vendors and contractors that make gifts in violation of this restriction twice in any five-year period.		02/24/2011- Referred to Senate PE&R Committee and Senate Elections and Constitutional Amendments Committee
SB 503 I-02/17/2011	Vargas	Judges' Retirement System II Service Credit Purchases Would allow a member of the Judges' Retirement System II to make a one-time written election to purchase and receive service credit for any number of whole years, or the entire time he or she served as a full-time subordinate judicial officer.		02/18/2011- From printer. May be heard in committee on or after March 20.

Bill Number Version	Author	Summary	Board Position	Status
SB 520 I-02/17/2011	Walters	Defined Contribution Pension Program Expresses Legislative intent to reform California's system of public pensions by incorporating a defined-contribution program.		02/18/2011- From printer. May be heard in committee on or after March 20.
SB 522 I-02/17/2011	Walters	Prohibition on CalPERS Additional Retirement Service Credit Purchases Would repeal an existing provision of the Public Employees Retirement Law (PERL) that allows vested members to purchase up to five years of additional retirement service credit.		02/18/2011- From printer. May be heard in committee on or after March 20.
SB 523 I-02/17/2011	Walters	Pension Ban for Local Elected Officials Would prohibit a person who is elected to local public office, on or after January 1, 2012, from becoming a member of a retirement system by virtue of that service or acquiring any retirement right or benefit for serving in that local elective office. This prohibition would not apply to local elected officials who obtained membership by virtue of holding office prior to January 2012, and remains in, or reelected to that local office.		02/18/2011- From printer. May be heard in committee on or after March 20.
SB 524 I-02/17/2011	Walters	Public Employees' Retirement: Reinstatement Would prohibit a State member who retires on or after January 1, 2012, from serving without reinstatement or being hired as a contract employee for the State for a period of 12 months following his or her date of retirement.		02/18/2011- From printer. May be heard in committee on or after March 20.
SB 526 I-02/17/2011	Walters	Defined Contribution Program for New State Employees Expresses Legislative intent to establish a defined contribution plan for new State employees.		02/18/2011- From printer. May be heard in committee on or after March 20.
SB 528 I-02/17/2011	Walters	State Peace Officers and Firefighters Defined Contribution Plan: Employer Contributions Would prohibit employer contributions or employer pick-up of employee contributions to participant accounts in the State Peace Officers and Firefighters Defined Contribution Plan.		02/18/2011- From printer. May be heard in committee on or after March 20.

Bill Number Version	Author	Summary	Board Position	Status
SB 689	Harman	Legislative Report on Retired Member Benefits		02/20/2011- From printer.
I-02/18/2011		Would require, until January 1, 2016, all public retirement systems in California to annually report to the Legislature on the name, membership classification, former employer and corresponding benefit amount paid to all retired members that receive pension benefits of \$100,000 or more annually.		May be heard in committee on or after March 22.
SB 810	Leno	Single-Payer Health Care Coverage		02/20/2011- From printer.
I-02/18/2011		Makes all California residents eligible for specified health care benefits under the newly created California Healthcare System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services. Prohibits the issuance of health plan contracts for services covered by the system. Creates the California Healthcare Premium Commission (Commission) to determine the cost of the California Healthcare System and develop a premium structure. Requires the Commission to recommend a premium structure to the Governor and Legislature on or before January 1, 2011, and to make a draft recommendation to the Governor, the Legislature and the public 90 days before submitting its final premium structure recommendation. Requires that the system be operative within two years of the Secretary of Health and Human Services notifying the Legislature that sufficient funds exist.		May be heard in committee on or after March 22.
SB 903	Anderson	Fiduciary Determinations for Iran Divestment		02/19/2011- From printer.
I-02/18/2011		Existing law allows the CalPERS Board of Administration to suspend action as described in the California Public Divest from Iran Act (Act) if it determines such action would be inconsistent with its fiduciary duties as described in the California Constitution. This bill replaces that authorization with the requirement that the Board determine in a properly-noticed public meeting that a specific action described in the Act would be a breach of its fiduciary responsibilities in order suspend action.		May be heard in committee on or after March 21.